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(3) A description of the contractual authority under which the purchases were terminated; and

(4) If the abandonment is partial, a description of the acreage from which purchases were terminated and acreage from which purchases continue.

(e) For purposes of this section, the term “first seller” means any seller that engages in a sale of natural gas that is a “first sale” under section 2(21) of the Natural Gas Policy Act of 1978.

[Order 490, 53 FR 4133, Feb. 12, 1988, as amended by Order 493, 53 FR 15030, Apr. 27, 1988; Order 490-A, 53 FR 29009, Aug. 2, 1988]

**Subparts B–C [Reserved]**

**Subpart D—Exemption of Natural Gas Service for Drilling, Testing, or Purging from Certificate Requirements**

AUTHORITY: Natural Gas Act, as amended, 15 U.S.C. 717 *et. seq.*, Energy Supply and Environmental Coordination Act, 15 U.S.C. 791 *et. seq.*, Federal Energy Administration Act, 15 U.S.C. 761 *et. seq.*, Natural Gas Policy Act of 1978, Pub. L. 95–621, 92 Stat. 3350, Department of Energy Organization Act, Pub. L. 95–91, E.O. 12009, 42 FR 46267.

**§ 157.53 Testing.**

(a) Construction and operation of facilities necessary to render direct natural gas service for use in the testing and purging of new natural gas pipeline facilities are exempted from the certificate requirements of section 7(c) of the Natural Gas Act, when the construction and operation of such facilities are conducted in accordance with paragraph (b) of this section.

(b) Operations undertaken to render direct natural gas service shall be terminated upon the completion of the purging or testing of the pipeline facilities. Persons undertaking any construction or operation of facilities or service under this section shall file an original and two copies of an annual statement, by February 1 of each year, describing their activities hereunder.

[43 FR 56544, Dec. 1, 1978, as amended at 60 FR 53065, Oct. 11, 1995]

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**Subpart E—Optional Certificate and Abandonment Procedures for Applications for New Service Under Section 7 of the Natural Gas Act**

SOURCE: Order 436, 50 FR 42488, Oct. 18, 1985, unless otherwise noted.

**§ 157.100 General.**

This subpart establishes optional procedures whereby any eligible applicant may obtain, for the purpose of providing new service, a certificate authorizing the following activities subject to the Commission's jurisdiction:

- (a) The transportation of natural gas;
- (b) Sales of natural gas;
- (c) The construction and operation of natural gas facilities;
- (d) The acquisition and operation of natural gas facilities; and
- (e) Conditional pre-granted abandonment of such activities and facilities upon termination of its contractual obligations to provide the services.

**§ 157.101 Definitions.**

(a) *Statutory terms.* Any term defined under the Natural Gas Policy Act of 1978 (NGPA) means the same under this subpart as under the NGPA.

(b) *Subpart E definitions.* For purposes of this subpart:

(1) *Eligible applicant* means any natural gas company or person that will be a natural gas company upon completion of any proposed construction or extension of natural gas facilities.

(2) *New service* means a service for which the applicant for a certificate under this subpart does not have certificate authority. If a contract for service provided under a certificate issued pursuant to this subpart or subpart A of this part is renegotiated to provide for an increase in existing service or an additional kind of service, only the additional increment of service or the different service qualifies as “new service.”

(3) *Qualifying facility* means a facility or a portion of a facility that will be used solely to provide new service.